



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE **FILED**  
STATE OF CALIFORNIA  
01-04-08  
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Order Instituting Rulemaking into )  
Implementation of Public Utilities Code Section )  
390 )  
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R.99-11-022  
(filed November 18, 1999)

**FILING OF SOUTHERN CALIFORNIA EDISON COMPANY (U338-E),  
MONTHLY REPORT ON AVOIDED COST ENERGY PRICING EFFECTIVE  
JANUARY 1, 2008 – JANUARY 31, 2008 PURSUANT TO D.01-03-067**

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January 2008

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE  
STATE OF CALIFORNIA**

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MONTHLY REPORT ON AVOIDED COST ENERGY PRICING EFFECTIVE  
JANUARY 1, 2008 – JANUARY 31, 2008 PURSUANT TO D.01-03-067**

Pursuant to the California Public Utilities Commission’s (“CPUC” or “Commission”) Decision Nos. 02-10-009 and D. 01-03-067, attached is SCE’s filing of the Monthly Report on Avoided Cost Energy Pricing effective January 1, 2008 through January 31, 2008. The effective date of this posting is January 1, 2008. This posting is made in compliance with the revised formula adopted by the Commission on March 27, 2001, in Decision No. 01-03-067 and D. 02-10-009. Notwithstanding this posting made in compliance with such decision, SCE reserves all rights and remedies available to it to continue to contest the lawfulness of the Commission’s short-run avoided cost methodology, as so revised.

Questions regarding the calculations themselves may be directed to Eric Lavik at the address below or (626) 302-9568.

Respectfully submitted,

/s/ Gloria M. Ing

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## **CERTIFICATE OF SERVICE**

I hereby certify that, pursuant to the Commission's Rules of Practice and Procedure, I have this day served a true copy of the **FILING OF SOUTHERN CALIFORNIA EDISON COMPANY (U338-E), MONTHLY REPORT ON AVOIDED COST ENERGY PRICING EFFECTIVE JANUARY 1, 2008 – JANUARY 31, 2008, PURSUANT TO D.01-03-067** on all parties identified on the attached service list. Service was effected by one or more means indicated below:

Placing the copies in sealed envelopes and causing such envelopes to be delivered by hand or by overnight courier to the offices of the Commission or other addressee(s).

Directing Reprographics to place the copies in properly addressed sealed envelopes and to deposit such envelopes in the United States mail with first-class postage prepaid to all parties.

Executed this **4th day of January, 2008** at Rosemead, California.

/s/ Melissa Schary  
**Melissa Schary**  
**Project Analyst**  
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**SHORT RUN AVOIDED COST ENERGY PRICE UPDATE  
FOR QUALIFYING FACILITIES  
Filed January 4, 2008  
Effective January 1, 2008 - January 31, 2008**

Enclosed are the capacity and energy price schedules for purchases from Qualifying Facilities pursuant to Standard Offers and other contracts with Southern California Edison Company, effective January 1, 2008 - January 31, 2008

This posting is made in compliance with the revised formula adopted by the Commission on March 27, 2001 in Decision No. 01-03-067. Notwithstanding this posting made in compliance with such decision, SCE reserves all rights and remedies available to it to continue to contest the lawfulness of the Commission's short-run avoided cost methodology, as so revised.

**GENERAL INFORMATION**

If you have any questions, please direct your inquiries to Southern California Edison Company, QF Resources, P.O. Box 800, Rosemead, California 91770. Or you may call the QF Information Line at (626) 302-1950. SCE's SRAC Posting may be viewed electronically at SCE's home page <http://www.sce.com/AboutSCE/Regulatory/qualifyingfacilities/dataanddocuments.htm>

**AVOIDED COST CAPACITY PRICES FOR QUALIFYING FACILITIES**

Pursuant to California Public Utilities Commission ("CPUC") Decision 96-12-051, the Capacity Schedule for As-Available Capacity for Standard Offer Nos. 1 and 3 reflects SCE's shortage cost of \$4.93/kW-year, which is based on an Energy Reliability Index of 0.1. Shortage costs are determined by adjusting the costs avoided by deferral of combustion turbines using an Energy Reliability Index and will remain in effect until revised pursuant to the Commission's directions. The schedule includes future escalations of capital costs and operation and maintenance costs. Per D.82-01-103, capacity payments are reduced 50% for projects under Standard Offer No. 3 with no time of delivery meters.

**CAPACITY PAYMENT SCHEDULE FOR AS-AVAILABLE POWER PURCHASES**

Time Differentiated Payments		Non-Time Differentiated Payments	
Costing Period	Capacity Payments (cents/kWh)	Costing Period	Capacity Payments (cents/kWh)
Summer: On-Peak	0.69	Summer	0.07
Mid-Peak	0.08		
Off-Peak	0.00		
Winter : Mid-Peak	0.03	Winter	0.01
Off-Peak	0.00		
Super-Off-Peak	0.00		

**MONTHLY CONVERSION FACTORS**

The factors to convert annual capacity prices (\$/kW-year) to time period of delivery prices are as follows:

	On-Peak	Mid-Peak	Off-Peak	Super-Off-Peak
Summer	0.1792	0.0310	0.0006	-
Winter	-	0.0178	0.0011	0.0007

Southern California Edison Company  
SHORT RUN AVOIDED COST  
ENERGY PRICE UPDATE  
FOR QUALIFYING FACILITIES  
Pursuant to D.96-12-028, as modified by D.01-03-067  
January 1, 2008 - January 31, 2008

**SRAC Formula**

$$P_n = \{P_{Base} + (P_{Base} * (G_{Pn} - G_{PBase}) * Factor)\} * TOU$$

**GPBase**

Values will be adjusted for line losses  
in accordance with D.01-01-007

	SRAC Methodology	
	Winter	Summer
On-Peak	-	-
Mid-Peak	8.7650	-
Off-Peak	6.6423	-
Super-Off-Peak	5.5820	-
Time Period Weighted Average	7.1932	-

P <sub>n</sub>	=	Energy price in cents/kWh which is calculated based on substituting the variables below into the SRAC formula.	
P <sub>Base</sub>	=	Base Energy Price	2.0808 cents/kWh
G <sub>Pn</sub>	=	The simple average of natural gas market price indices from Natural Gas Week, Natural Gas Intelligence and BTU's Daily Gas Wire at the Malin, Oregon location, plus PG&E G-AAOFF tariff rate.	
		<div style="display: flex; justify-content: space-between;"> <div> <p>Simple Average</p> <p>Shrink (0.90%)</p> <p>PG&amp;E Tariff G-AAOFF</p> </div> <div> <p>Malin</p> <p>6.7800</p> <p>0.0616</p> <p>0.3599</p> </div> </div>	7.2015 \$/MMBtu
G <sub>PBase</sub>	=	Base Gas Price	1.3975 \$/MMBtu
G <sub>Tn</sub>	=	Intrastate Transportation	
		<div style="display: flex; justify-content: space-between;"> <div> <p>GT-F5</p> <p>ITCS</p> <p>G-MSUR</p> </div> <div> <p>0.3471</p> <p>-0.0005</p> <p>0.015534 * 0.984466 * 6.722</p> </div> </div>	0.4494 \$/MMBtu
I <sub>ER</sub>	=	Incremental Energy Rate	9140 Btu/kWh
O&M	=	Variable Operations and Maintenance adder	0.2000 cents/kWh
Factor	=	$\frac{((I_{ER} * (G_{Pn} + G_{Tn})) / 10,000) + O\&M - P_{base}}{P_{base} * ((G_{Pn} - G_{Pbase}) / G_{Pbase})}$	0.5916
TOU	=	<p>Summer On-Peak</p> <p>Summer Mid-Peak = ( Total # hrs in month - (1.4251 * # Summer On-Peak hrs in month) - (0.8526 * # Summer Off-Peak hrs in month) ) / # Summer Mid-Peak hrs in month</p> <p>Summer Off-Peak</p> <p>Winter Mid-Peak</p> <p>Winter Off-Peak = ( Total # hrs in month - (1.2185 * # Winter Mid-Peak hrs in month) - (0.7760 * # Winter Super-Off-Peak hrs in month) ) / # Winter Off-Peak hrs in month</p> <p>Winter Super-Off-Peak</p>	<p>1.4251</p> <p>0.8526</p> <p>1.2185</p> <p>0.9234</p> <p>0.7760</p>

**SEASON AND TIME PERIOD DEFINITIONS**

Time Period	Summer June 1 - September 30	Winter October 1 - May 31		# of Hours 1/1/08 - 1/31/2008	
				Winter	Summer
On-Peak	Noon - 6:00 p.m.	n/a	Weekdays except Holidays	0	0
Mid-Peak	8:00 a.m. - Noon	8:00 a.m. - 9:00 p.m.	Weekdays except Holidays	286	0
	6:00 p.m. - 11:00 p.m.		Weekdays except Holidays	0	0
Off-Peak	11:00 p.m. - 8:00 a.m.	6:00 a.m. - 8:00 a.m.	Weekdays except Holidays	44	0
		9:00 p.m. - Midnight	Weekdays except Holidays	66	0
	Midnight - Midnight	6:00 a.m. - Midnight	Weekends & Holidays	162	0
Super-Off-Peak	n/a	Midnight - 6:00 a.m.	Weekdays, Weekends & Holidays	186	0
			Total	744	0

2008 Holidays: New Year's Day (1/1), Presidents' Day (2/18), Memorial Day (5/26), Independence Day (7/4), Labor Day (9/1), Veterans Day (11/11), Thanksgiving Day (11/27) and Christmas Day (12/25). When any holiday listed above falls on Sunday, the following Monday will be recognized as an off-peak period. No change will be made for holidays falling on Saturday.

**R.99-11-022 BRPU**

Friday, January 4, 2008

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